

AUTHENTICATED

Contract No. 00PB-12202

BLOCK POWER SALES AGREEMENT
executed by the
BONNEVILLE POWER ADMINISTRATION
and
ATOFINA CHEMICALS, INC.

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This BLOCK POWER SALES AGREEMENT (Agreement) is executed by the UNITED STATES OF AMERICA, Department of Energy, acting by and through the BONNEVILLE POWER ADMINISTRATION (BPA), and ATOFINA CHEMICALS, INC. (ATOFINA). ATOFINA is a CORPORATION organized under the laws of the State of PENNSYLVANIA.

RECITALS

This Agreement will replace Contract No. ~~DE-MS79-81BP94856~~. 95MS-94856 ga 11/22/00

BPA has administratively divided its organization into two business lines in order to functionally separate the administration and decisionmaking activities of BPA's power business from the administrative and decisionmaking activities of its transmission business. References in this Agreement to the Power Business Line (PBL) are solely for the purpose of establishing which BPA business line is responsible for the administration of this Agreement.

BPA and ATOFINA agree:

1. **TERM**

This Agreement takes effect on the date signed by the Parties (Execution Date). Performance by the Parties, (except for the preparatory actions for performance) shall commence on October 1, 2001, and shall continue through September 30, 2006 (Expiration Date).

2. **DEFINITIONS**

Capitalized terms in this Agreement shall have the meanings defined below, in the exhibits or in context. All other capitalized terms and acronyms are defined in BPA's applicable Wholesale Power Rate Schedule(s), including the General Rate Schedule Provisions (GRSPs).

- (a) "Amounts Taken" means an amount deemed equal to the amount of power scheduled by ATOFINA under section 7 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (b) "Contract Year" means the period that begins each October 1 and which ends the following September 30. For instance Contract Year 2002 begins October 1, 2001, and continues through September 30, 2002.
- (c) "Contracted Power" means Firm Power and Surplus Firm Power provided under this Agreement.
- (d) "Diurnal" means the division of hours of the day between Heavy Load Hours (HLH) and Light Load Hours (LLH).
- (e) "Firm Power" means electric power that PBL will make continuously available to ATOFINA under this Agreement.
- (f) "Northwest Power Act" means the Pacific Northwest Electric Power Planning and Conservation Act of 1980, P.L. 96-501.
- (g) "Party" or "Parties" means PBL and/or ATOFINA.

- (h) "Planned Maintenance Outage" means a reduction in Total Plant Load due to periodic or routine plant maintenance that is typical for ATOFINA's industry. Planned Maintenance Outages shall not exceed 10 days per year, unless otherwise agreed to by BPA.
- (i) "Points of Measurement" means the interconnection points between BPA, ATOFINA and other control areas, as applicable. Electric power amounts are established at these points based on metered amounts or scheduled amounts, as appropriate.
- (j) "Point of Receipt" means the points of interconnection on the transmission provider's transmission system where Contracted Power will be made available to ATOFINA's transmission provider by PBL.
- (k) "Power Business Line" or "PBL" means that portion of the BPA organization or its successor that is responsible for the management and sale of BPA's Federal power.
- (l) "Region" means the definition established for "Region" in the Northwest Power Act.
- (m) "Total Plant Load" means all electric power consumption including electric system losses, at ATOFINA's production facilities as measured at Points of Measurement. No distinction is made between load that is served with Contracted Power and load that is served with electric power from other sources.
- (n) "Transmission Business Line" or "TBL" means that portion of the BPA organization or its successor that is responsible for the management and sale of transmission service on the Federal Columbia River Transmission System (FCRTS).

3. APPLICABLE RATES

- (a) Purchases under this Agreement may be subject to more than one rate schedule. The Industrial Firm Power (IP-02) and Firm Power Products and Services (FPS) rate schedules, including the GRSPs, apply to power purchases under this Agreement. Purchases under each rate schedule are established as follows:
 - (1) IP-02 Rate. Section 4 of the body of this Agreement, Exhibit B (Billing), and Exhibit C, Power Rate identify Contracted Power amounts, rates and billing entitlements subject to the IP-02 Rate schedule.

- (2) FPS. Except when otherwise specified in this Agreement Exhibit D (Additional Products, Services, and Special Provisions) identifies amounts, rates and billing entitlements subject to the FPS rate schedule.

4. INDUSTRIAL FIRM POWER PRODUCT

ATOFINA shall purchase 44 megawatts (MW) each hour during the term of this Agreement.

5. CURTAILMENT AND LOAD MANAGEMENT

(a) Curtailment

If ATOFINA curtails Total Plant Load in whole or in part, then ATOFINA may request take-or-pay mitigation for purchases under section 4 pursuant to section 6(a) below.

(b) Short-Term Load Management Interruptions Under Separate Agreements

Nothing in this Agreement shall preclude BPA and ATOFINA from entering into separate agreements that provide for short-term load management interruption(s) of BPA deliveries to ATOFINA.

6. TAKE-OR-PAY MITIGATION/RELIEF FROM TAKE-OR-PAY

(a) Take-or-Pay Mitigation for Curtailments

If ATOFINA chooses to curtail its purchase obligation pursuant to section 5(a) above, then the following terms and conditions shall apply:

(1) Notice of Curtailment

ATOFINA shall endeavor to provide notice to BPA at least seven (7) business days in advance of a curtailment; **provided, however,** that such notice shall in no event be less than three (3) business days prior to the beginning of a curtailment. Such notice shall specify the amount of power to be curtailed (Purchase Deficiency) and the duration of the curtailment. The election to curtail such power, and the amount and duration of such curtailment, may not be changed without BPA's consent.

(2) Limitation on Damages

ATOFINA shall pay BPA damages for any Purchase Deficiency equal to the amount by which the reasonable market value of such Purchase Deficiency is less than the price of the applicable IP-02 Rate. Following are two options for the calculation of such damages, if any.

- (A) Except for circumstances established in section 6(a)(2)(B) below, damages shall be calculated as follows:
No later than sixty (60) business days after the end of

each Contract Year, BPA shall calculate the reasonable market value of any Purchase Deficiency due to a curtailment, taking into account the differing market values for each day in any month in which there was a Purchase Deficiency during each such Contract Year. ATOFINA shall pay BPA damages equal to the amount by which the sum of the product of the monthly purchase deficiencies and the applicable IP-02 exceeds the sum of the product of the monthly purchase deficiencies, and the reasonable market value in each month. BPA is not obligated to pay ATOFINA the difference when the reasonable market value exceeds the applicable IP-02 Rate schedule.

- (B) BPA shall obtain a transactable quote for such power from a third-party. If ATOFINA notifies BPA that such quote is unacceptable within 24 hours after BPA provides ATOFINA such quote, then damages shall be calculated according to 6(a)(2)(A) above. Otherwise, such quote shall be deemed equal to the reasonable market value of such power for the purpose of calculating damages under this section 6(a)(2)(B). Further, BPA shall not be obligated to resell the Purchase Deficiency to the third-party that provided the quote and may retain the power or dispose of the power as it chooses. ATOFINA shall pay BPA damages equal to the amount by which the sum of the product of the amount of the monthly Purchase Deficiency subject to this election and the applicable IP-02 Rate exceeds the reasonable market value established by the quote. BPA is not obligated to pay ATOFINA the difference when the reasonable market value exceeds the applicable IP-02 Rate schedule.

(b) **Planned Maintenance Outages**

No less than seven days prior to the beginning of a Planned Maintenance Outage ATOFINA shall provide BPA with written notice that specifies the duration of the Planned Maintenance Outage and the amount of purchase obligation that is to be reduced. If ATOFINA provides BPA with written notice, ATOFINA may reschedule amounts of Contracted Power that are not received due to a Planned Maintenance Outage. Such amounts may only be rescheduled during months when the IP-02 rate is less than or equal to the rate in effect when the Planned Maintenance Outage occurred. All other provisions relating to delivery shall be as mutually agreed to by the Parties.

7. SCHEDULING

All Contracted Power transactions under this Agreement shall be scheduled and implemented consistent with Exhibit E, Scheduling. The procedures for scheduling

described in Exhibit E, Scheduling, are the standard utility procedures followed by BPA for power transactions between PBL and other utilities or entities in the Region that require scheduling.

8. DELIVERY

(a) Transmission Service for Contracted Power

This Agreement does not provide transmission services for, or include the delivery of, Contracted Power to ATOFINA. ATOFINA shall be responsible for executing one or more wheeling agreements with a transmission supplier for the delivery of Contracted Power (Wheeling Agreement). The Parties agree to take such actions as may be necessary to facilitate the delivery of Contracted Power to ATOFINA consistent with the terms, notice, and the time limits contained in the Wheeling Agreement.

(b) Liability for Delivery

ATOFINA waives any claims against PBL arising under this Agreement for nondelivery of power to any points beyond the applicable Points of Receipt. PBL shall not be liable for any third-party claims related to the delivery of power after it leaves the Points of Receipt. In no event will either Party be liable under this Agreement to the other Party for damage that results from any sudden, unexpected, changed, or abnormal electrical condition occurring in or on any electric system, regardless of ownership. These limitations on liability apply regardless of whether or not this Agreement provides for transfer service.

(c) Points of Receipt

PBL shall make Contracted Power available to ATOFINA under this Agreement at Points of Receipt solely for the purpose of scheduling transmission to points of delivery for service to ATOFINA's Total Plant Load. ATOFINA shall schedule, if scheduling is necessary, such Contracted Power solely for use by its Total Plant Load. PBL, for purposes of scheduling transmission for delivery under this Agreement, specified Points of Receipt in a written notice to ATOFINA prior to August 1, 2000.

If required by the Wheeling Agreement when PBL designates such Points of Receipt, PBL will provide capacity amounts for transmission under the Wheeling Agreement associated with the initial Points of Receipt that can be accepted as firm Points of Receipt under ATOFINA's Wheeling Agreement (except in the event that all Points of Receipt on the Federal Columbia River Power System (FCRPS) would be considered nonfirm). The sum of capacity amounts requested by PBL shall not exceed the amount of Contracted Power specified in section 4 of this Agreement. Such Points of Receipt and their capacity amounts may only be changed through mutual agreement. However, at any time PBL may request the use of a

nonfirm Point of Receipt to provide Contracted Power to ATOFINA, but not withstanding section 8(b) above, PBL shall reimburse ATOFINA for any additional costs or production losses incurred by ATOFINA due to its compliance with such request.

(d) **Transmission Losses**

PBL shall provide ATOFINA the losses between the Points of Receipt and ATOFINA's distribution facilities for Contracted Power, at no additional charge. Losses will be provided at Points of Receipt as established under section 8(c), and under the terms and conditions as defined in the transmission provider's tariff.

9. MEASUREMENT

- (a) Amounts Taken are deemed equal to the amount scheduled by ATOFINA under section 7 of this Agreement or an amount of power as measured at Points of Measurement, as appropriate.
- (b) ATOFINA shall provide reasonable notice to PBL prior to changing control areas.

10. BILLING AND PAYMENT

(a) **Billing**

PBL shall bill ATOFINA monthly, consistent with applicable BPA rates, including the GRSPs and the provisions of this Agreement for the Amounts Taken, payments pursuant to section 5, and other services provided to ATOFINA in the preceding month or months under this Agreement. PBL may send ATOFINA an estimated bill followed by a final bill. PBL shall send all bills on the bill's issue date either electronically or by mail, at ATOFINA's option. If electronic transmittal of the entire bill is not practical, PBL shall transmit a summary electronically, and send the entire bill by mail.

(b) **Payment**

Payment of all bills, whether estimated or final, must be received by the 20th day after the issue date of the bill (Due Date). If the 20th day is a Saturday, Sunday, or Federal holiday, the Due Date is the next business day. If payment has been made on an estimated bill before receipt of a final bill for the same month, ATOFINA shall pay only the amount by which the final bill exceeds the payment made for the estimated bill. PBL shall provide ATOFINA the amounts by which an estimated bill exceeds a final bill through either a check or as a credit on the subsequent month's bill. After the Due Date, a late payment charge shall be applied each day to any unpaid balance. The late payment charge is calculated by dividing the Prime Rate as reported in the Money Rates section of Wall Street Journal, plus 4 percent; by 365. The applicable Prime Rate shall be the rate reported on the first day of the month in which payment is received. ATOFINA shall pay

by electronic funds transfer using BPA's established procedures. PBL may terminate this Agreement if ATOFINA is more than three months behind in paying its bills under this Agreement and ATOFINA cannot demonstrate an ability to make the payments owed.

(c) **Disputed Bills**

In case of a billing dispute, ATOFINA shall note the disputed amount and pay its bill in full by the Due Date. Unpaid bills (including both disputed and undisputed amounts) are subject to late payment charges provided above. If ATOFINA is entitled to a refund of any portion of the disputed amount, then BPA shall make such refund with simple interest computed from the date of receipt of the disputed payment to the date the refund is made. The daily interest rate used to determine the interest is calculated by dividing the Prime Rate for Large Banks as reported in the Wall Street Journal; by 365. The applicable Prime Rate for Large Banks shall be the rate reported on the first day of the month in which payment is received by BPA.

11. NOTICES

Any notice required under this Agreement shall be in writing and shall be delivered: (a) in person; (b) by a nationally recognized delivery service; or (c) by United States Certified Mail. Notices are effective when received. Either Party may change its address for notices by giving notice of such change consistent with this section

If to ATOFINA:

ATOFINA Chemical, Inc.
6400 NW Front Avenue
Portland, OR 97210
Attn: Mr. Jack Snyder
Regional Finance Manager
Phone: 503-225-7213
FAX: 503-228-6022
E-Mail: jwsnyder@ato.com

If to PBL:

Bonneville Power Administration
P.O. Box 3621
Portland, OR 97208-3621
Attn: Mr. Sydney D. Berwager – PT-6
Account Executive
Phone: 503-230-5657
FAX: 503-230-3681
E-Mail: sdberwager@bpa.gov

12. COST RECOVERY

- (a) Nothing included in or omitted from this Agreement creates or extinguishes any right or obligation, if any, of BPA to assess against ATOFINA and ATOFINA to pay to BPA at any time a cost underrecovery charge pursuant to an applicable transmission rate schedule or otherwise applicable law.
- (b) BPA may adjust the rates for Contracted Power set forth in the applicable power rate schedule during the term of this Agreement only pursuant to the Cost Recovery Adjustment Clause (CRAC) in the 2002 GRSPs.

- (c) Any CRAC will be assessed against the full purchase obligation specified in section 4 of this Agreement, notwithstanding any curtailment by ATOFINA pursuant to section 5 of this Agreement.
- (d) For as long as ATOFINA purchases cost-based power from BPA, this Agreement supercedes existing power sales contracts and ATOFINA will be subject to the same cost underrecovery exposure as BPA's utility customers purchasing Subscription power.

13. UNCONTROLLABLE FORCES

PBL shall not be in breach of its obligation to provide Contracted Power and ATOFINA shall not be in breach of its obligation to purchase Contracted Power to the extent the failure to fulfill that obligation is due to an Uncontrollable Force. "Uncontrollable Force" means an event beyond the reasonable control of, and without the fault or negligence of, the Party claiming the Uncontrollable Force that impairs that Party's ability to perform its contractual obligations under this Agreement and which, by exercise of that Party's reasonable diligence and foresight, such Party could not be expected to avoid and was unable to avoid. Uncontrollable Forces include, but are not limited to:

- (a) any unplanned curtailment or interruption for any reason of firm transmission used to deliver Contracted Power to ATOFINA's facilities, including but not limited to unplanned maintenance outages;
- (b) any unplanned curtailment or interruption, failure or imminent failure of ATOFINA's production or transmission facilities, including but not limited to unplanned maintenance outages;
- (c) any planned transmission or distribution outage that affects either ATOFINA or PBL which was provided by a third-party transmission or distribution owner, or by a transmission provider, including TBL, that is functionally separated from the generation provider in conformance with Federal Energy Regulatory Commission (FERC) Orders 888 and 889 or its successors;
- (d) strikes or work stoppage, including the threat of imminent strikes or work stoppage;
- (e) floods, earthquakes, or other natural disasters; and
- (f) orders or injunctions issued by any court having competent subject matter jurisdiction, or any order of an administrative officer which the Party claiming the Uncontrollable Force, after diligent efforts, was unable to have stayed, suspended, or set aside pending review by a court of competent subject matter jurisdiction.

Neither the unavailability of funds or financing, nor conditions of national or local economies or markets shall be considered an Uncontrollable Force. The economic

hardship of either Party shall not constitute an Uncontrollable Force. Nothing contained in this provision shall be construed to require either Party to settle any strike or labor dispute in which it may be involved.

The Party claiming the Uncontrollable Force shall notify the other Party as soon as practicable of that Party's inability to meet its obligations under this Agreement due to an Uncontrollable Force. The Party claiming the Uncontrollable Force also agrees to notify any control area involved in the scheduling of a transaction which may be curtailed due to an Uncontrollable Force.

Both Parties shall be excused from their respective obligations, other than from payment obligations incurred prior to the Uncontrollable Force, without liability to the other, for the duration of the Uncontrollable Force and the period reasonably required for the Party claiming the Uncontrollable Force, using due diligence, to restore its operations to conditions existing prior to the occurrence of the Uncontrollable Force.

14. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be interpreted consistent with and governed by Federal law. The Parties shall make a good faith effort to negotiate a resolution of disputes before initiating litigation. During a contract dispute or contract issue between the Parties arising out of this Agreement, the Parties shall continue performance under this Agreement pending resolution of the dispute, unless to do so would be impossible or impracticable. ATOFINA reserves the right to seek judicial resolution of any dispute arising under this Agreement.

15. STATUTORY PROVISIONS

(a) **Priority of Pacific Northwest Customers**

The provisions of sections 9(c) and (d) of the Northwest Power Act and the provisions of P.L. 88-552 as amended by the Northwest Power Act are incorporated into this Agreement by reference. BPA agrees that ATOFINA, together with other customers in the Region shall have priority to BPA power, consistent with such provisions.

(b) **Prohibition on Resale**

ATOFINA shall not resell Industrial Firm Power except as otherwise permitted by Federal law.

(c) **BPA Appropriations Refinancing Act**

The Parties agree that the BPA Refinancing Section of the Omnibus Consolidated Recissions and Appropriations Act of 1996 (The BPA Refinancing Act), P.L. No. 104-134, 110 Stat. 1321, 1350, as stated in the United States Code on the date this Agreement is signed by the Parties, is incorporated by reference and is a material term of this Agreement.

16. STANDARD PROVISIONS

(a) **Amendments**

No oral or written amendment, rescission, waiver, modification, or other change of this Agreement shall be of any force or effect unless set forth in a written instrument signed by authorized representatives of each Party.

(b) **Assignment**

This Agreement is binding on any successors and assigns of the Parties. BPA may assign this Agreement to another Federal agency to which BPA's statutory duties have been transferred. The consent of BPA is hereby given to an assignment of this Agreement to a successor in interest of ATOFINA, or any ATOFINA facility served directly by the PBL, for use at any existing direct service industrial facility served directly by the PBL on the date of the assignment. Neither Party may otherwise transfer or assign this Agreement without the other Party's written consent. Such consent shall not be unreasonably withheld.

(c) **Information Exchange and Confidentiality**

The Parties shall provide each other with any information that is reasonably required, and requested by either Party in writing, to operate under and administer this Agreement, including load forecasts for planning purposes, information needed to resolve billing disputes, scheduling, and metering information reasonably necessary to prepare power bills that is not otherwise available to the requesting Party. Such information shall be provided in a timely manner. Information may be exchanged by any means agreed to by the Parties. If such information is subject to a privilege of confidentiality, a confidentiality agreement or statutory restriction under state or Federal law on its disclosure by a Party to this Agreement, then that Party shall endeavor to obtain whatever consents, releases, or agreements are necessary from the person holding the privilege to provide such information while asserting the confidentiality over the information. Information provided to BPA which is subject to a privilege of confidentiality or nondisclosure shall be clearly marked as such and BPA shall not disclose such information without obtaining the consent of the person or Party asserting the privilege, consistent with BPA's obligation under the Freedom of Information Act. BPA may use such information as necessary to provide service or timely bill for service under this Agreement. BPA shall only disclose information received under this provision to BPA employees who need the information for purposes of this Agreement.

(d) **Entire Agreement**

This Agreement, including all provisions, exhibits incorporated as part of this Agreement, and documents incorporated by reference, constitutes the entire agreement between the Parties. It supersedes

all previous communications, representations, or contracts, either written or oral, which purport to describe or embody the subject matter of this Agreement.

(e) **Exhibits**

The exhibits listed in the table of contents are incorporated into this Agreement by reference. The exhibits may only be revised upon mutual agreement between the Parties unless otherwise specified in the exhibits. The body of this Agreement shall prevail over the exhibits to this Agreement in the event of a conflict.

(f) **No Third-Party Beneficiaries**

This Agreement is made and entered into for the sole protection and legal benefit of the Parties, and no other person shall be a direct or indirect legal beneficiary of, or have any direct or indirect cause of action or claim in connection with this Agreement.

(g) **Waivers**

Any waiver at any time by either Party to this Agreement of its rights with respect to any default or any other matter arising in connection with this Agreement shall not be considered a waiver with respect to any subsequent default or matter.

(h) **BPA Policies**

Any reference in this Agreement to BPA policies, including without limitation BPA's New Large Single Load Policy and the 5(b)/9(c) Policy, and any revisions thereto, does not constitute agreement by ATOFINA to such policy, nor shall it be construed to be a waiver of the right of ATOFINA to seek judicial review of any such policy.

(i) **Severability**

If any term of this Agreement is found to be invalid by a court of competent jurisdiction then such term shall remain in force to the maximum extent permitted by law. All other terms shall remain in force unless that term is determined not to be severable from all other provisions of this Agreement by such court.

(j) **Compromise Approach Covenant**

ATOFINA agrees that BPA substantially sustained the Compromise Approach in the Rate Case Final Record of Decision (ROD) issued by BPA on May 15, 2000. As a consequence ATOFINA agrees:

- (1) ATOFINA will not file suit in any court challenging the sale of power by BPA to any Pacific Northwest investor-owned utility (IOU) to serve the residential and small farm loads of the IOU, or the rates for such sales, for the Fiscal Year (FY) 2002-2006 period, unless such suit is filed: (A) on the 90th day following the date of the final action being challenged; and (B) in response to a suit filed or reasonably expected to be filed by the

IOUs or an IOU representative, challenging power sales or rates for service to the DSIs.

(2) ATOFINA will not file suit in any court challenging the Compromise Approach, as implemented in BPA's 2002 Wholesale Power Rate Case Final ROD; **provided, however,** that ATOFINA may challenge BPA's decision regarding adjustments as provided for in the Compromise Approach, including the reasonableness of the APF.

(3) ATOFINA agrees that its failure to comply with any part of this provision will constitute a breach of this Agreement, and that BPA may terminate this Agreement in such case.

(k) **Hold Harmless**

Each Party assumes all liability for injury or damage to persons or property arising from the act or negligence of its own employees, agents, members of governing bodies, or contractors. Each Party shall indemnify and hold the other Party harmless from any liability arising from such act or negligence.

17. TERMINATION

ATOFINA may terminate this Agreement through a written notice up to 30 days after FERC grants interim approval for BPA's wholesale power rates that are effective October 1, 2001. In addition, ATOFINA shall have the right to terminate this Agreement if all of the following conditions have been satisfied:

- (a) Any rates adopted in WP-02 Final Rate Proposal, Administrator's Final Record of Decision are remanded to BPA for reconsideration by FERC or the Ninth Circuit Court of Appeals.
- (b) As a result of the remand, the Administrator publishes a subsequent Final Record of Decision which, if confirmed, would result in ATOFINA being subject to a higher average effective power rate for the period beginning the first day of the billing period immediately following the effective date of new rates contained in the subsequent Final Record of Decision and ending on September 30, 2006.
- (c) ATOFINA has provided written notice to BPA of its intent to terminate this Agreement within 30 days of publication of the subsequent Final Record of Decision.

Termination shall be effective at the start of the second billing period following the termination notice.

18. GOOD CORPORATE CITIZENSHIP CLAUSE

- (a) BPA is directed by statute to market Federal power in the Northwest first to public bodies and cooperatives, then to investor-owned

utilities, and then, at the Administrator's discretion, to direct-service industries. Under this Agreement, ATOFINA shall comply with the requirements of applicable Federal, State, and local laws and regulations (including DOE regulations). ATOFINA freely agrees that the Administrator enters into this Agreement with a direct-service industrial Customer only with the express qualification that during the term of this Agreement, ATOFINA shall remain in compliance as determined by the Administrator, in his or her sole discretion, with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal, as a condition of ATOFINA's right to receive power under this Agreement. ATOFINA acknowledges BPA's obligations and policies pursuant to such applicable laws, and that ATOFINA will act in good faith as it relates to such laws and policies.

- (b) In the event that the Administrator determines, in his or her sole discretion:
 - (1) that ATOFINA is using power provided by the BPA for the furtherance of an enterprise that is not in compliance with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal; and
 - (2) that such non-compliance, when considered in light of the mission, goals, policies, and interests of the BPA: (i) is egregious or persistent; and (ii) warrants the temporary or permanent curtailment by BPA of the sale of some or all of the power available under this Agreement or any subsequent agreement with ATOFINA;

then ATOFINA agrees that the Administrator, in his or her sole discretion, may curtail the sale of some or all of the power available under this Agreement or any future power agreement between ATOFINA and BPA.

- (c) The curtailment of power in paragraph (b) above will continue until the Administrator determines, in his or her sole discretion, that ATOFINA is in compliance with all applicable federal, state, and local laws, and all regulations and orders implementing such laws, whether civil or criminal.
- (d) The determinations of the Administrator referred to in paragraphs (b) and (c) above shall only be made with the consent of the Secretary of Energy, and after providing notice to ATOFINA. In making such determinations, the Administrator shall consider any relevant information that may be obtained from ATOFINA, federal or state agencies or courts, or any other entity. The Administrator shall promptly notify ATOFINA before any such determination becomes final.

19. SIGNATURES

The signatories represent that they are authorized to enter into this Agreement on behalf of the Party for whom they sign.

ATOFINA CHEMICALS, INC.

UNITED STATES OF AMERICA
Department of Energy
Bonneville Power Administration

By /S/ B. AZOULAY

Name Bernard Azoulay

(Print/Type)

Title President & CEO

Date 10/25/00

(PBLAN-PSB-W:\PSC\PM\CT\)

By /S/ SYDNEY D. BERWAGER

Date 10/31/2000

Exhibit A
RATE COMMITMENTS

1. REVISIONS TO INDUSTRIAL FIRM POWER RATES

BPA agrees that the IP-02 rates available to ATOFINA consistent with this exhibit shall not be subject to revision during the term of this Agreement, except for the application of a Cost Recovery Adjustment Clause as provided in the IP-02 rates schedules and GRSPs and this Agreement.

2. SPECIAL IP LOAD TREATMENT

Environmentally Preferred Power

ATOFINA may request Environmentally Preferred Power. If available, the Parties shall amend this Agreement to include necessary provisions as mutually agreed.

3. REVISIONS

If this exhibit is inconsistent with BPA's 2002 Industrial Firm Power Rate Schedule as finally approved by FERC, the Parties shall make a good faith effort to amend this exhibit so that it is consistent.

(PBLLAN-PSB-W:\PSC\PM\CT\)

Exhibit B
BILLING

1. INDUSTRIAL FIRM POWER ENTITLEMENTS

- (a) The MW amount shown in section 4 of the body of this Agreement multiplied by: (1) the number of HLH; and (2) the number of LLH in the applicable month establishes ATOFINA's HLH and LLH Energy Entitlements.
- (b) The MW amount shown in section 4 of the body of this Agreement establishes ATOFINA's Demand Entitlement.

2. UNAUTHORIZED INCREASE CHARGE

Amounts Taken from PBL in excess of Contracted Power shall be subject to the Unauthorized Increase Charge for demand and energy consistent with the applicable BPA Wholesale Power Rate Schedules and GRSPs, unless such power is provided under another contract with PBL. Power that has been provided for energy imbalance service pursuant to an agreement between TBL and ATOFINA will not be subject to an Unauthorized Increase Charge for Demand and Energy under this Agreement.

3. CONSERVATION AND RENEWABLES DISCOUNT

Subject to the terms specified in BPA's applicable Wholesale Power Rate Schedules, including GRSPs, BPA shall apply the Conservation and Renewables Discount to ATOFINA's Contracted Power as established in section 4 of the body of this Agreement unless ATOFINA has notified PBL before August 2001 that it will not participate in the Conservation and Renewables Discount. For purposes of establishing power amounts eligible for this discount, ATOFINA shall provide PBL either: (a) a reasonable forecast of such firm power amounts through Contract Year 2006; or (b) notice ATOFINA chooses not to have the Conservation and Renewables Discount applied to its Contracted Power by no later than August 1, 2001.

If during any Contract Year, ATOFINA has significant load loss or gain, the Parties may, by no later than August 31 prior to the succeeding Contract Year, revise the forecast used to calculate the Conservation and Renewables Discount. If the revised forecast is less than 95 percent of, or greater than 105 percent of, the forecast used to calculate the existing Conservation and Renewables Discount, the revised forecast shall be used to recalculate the Conservation and Renewables Discount for the succeeding Contract Years.

To retain the full amount of the Conservation and Renewables Discount ATOFINA shall satisfy all obligations associated with the Conservation and Renewables Discount as specified in BPA's applicable Wholesale Power Rate Schedules, including GRSPs and the Conservation and Renewables Discount implementation manual. ATOFINA shall reimburse BPA for any amount it received but for which it did not satisfy such obligations.

4. REVISIONS

If this exhibit is inconsistent with BPA's 2002 Industrial Firm Power Rate Schedule as finally approved by FERC, the Parties shall make a good faith effort to amend this exhibit so that it is consistent.

(PBLAN-PSB-W:\PSC\PM\CT\)

Exhibit C
POWER RATE

A. DEMAND RATE

1. Flat Rate Demand for FY 2002 through 2006

1.1 Applicability

These rates apply to eligible customers purchasing power.

1.2 Rate Table

<i>Applicable Months</i>	<i>Rate</i>
January	\$2.16/kW-mo
February	\$2.03/kW-mo
March	\$1.82/kW-mo
April	\$1.45/kW-mo
May	\$1.43/kW-mo
June	\$1.79/kW-mo
July	\$2.31/kW-mo
August	\$2.31/kW-mo
September	\$2.31/kW-mo
October	\$1.76/kW-mo
November	\$2.31/kW-mo
December	\$2.31/kW-mo

B. ENERGY RATE FOR IPTAC (A) PRODUCT

1. Monthly Energy Rates for FY 2002 through FY 2006

1.1 Applicability

These rates apply to eligible customers purchasing power.

1.2 Rate Table

<i>Applicable Months</i>	<i>HLH Rate</i>	<i>LLH Rate</i>
January	23.88 mills/kWh	17.90 mills/kWh
February	22.33 mills/kWh	16.90 mills/kWh
March	20.59 mills/kWh	15.18 mills/kWh
April	16.94 mills/kWh	12.57 mills/kWh
May	16.88 mills/kWh	11.00 mills/kWh
June	20.20 mills/kWh	12.55 mills/kWh
July	25.38 mills/kWh	18.45 mills/kWh
August	35.78mills/kWh	21.68 mills/kWh
September	26.70 mills/kWh	22.55 mills/kWh
October	20.03 mills/kWh	15.52 mills/kWh
November	25.76 mills/kWh	21.47 mills/kWh
December	26.41 mills/kWh	21.13 mills/kWh

Rates in Rate Table includes the IPTAC (A) (2.02 mills) adder.